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**5 Attorneys for Petitioner EGYPTIAN RADIO AND  
TELEVISION UNION**

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**CLERK US DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA**

BY J DEPUTY

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

'08 CV 1435 J AJB

11 EGYPTIAN RADIO AND TELEVISION  
12 UNION,  
13 Petitioner,  
14 vs.  
15 DYNAMIC INTERNATIONAL  
16 INVESTMENT GROUP, INC.,  
17 Respondent.

Case No.

**EGYPTIAN RADIO AND  
TELEVISION UNION'S PETITION TO  
CONFIRM ARBITRATION AWARD (9  
U.S.C. Section 9); DECLARATION OF  
GARY R. WALLACE IN SUPPORT  
THEREOF**

18 The Petition of Egyptian Radio and Television Union ("ERTU") hereby alleges and  
19 shows:

I.

## The Parties and Jurisdiction/Venue

22        1.      ERTU is a corporation established under Egyptian law with its offices and  
23 principal place of business located in Cairo, Egypt. The ERTU exists primarily for the  
24 purpose of airing its nation's Arabic-language Egyptian media programming (movies,  
25 television shows, radio and the like) throughout Egypt and the rest of the world.

26        2.      Dynamic International Investment Group, Inc. (“Dynamic”) is, on  
27 information and belief, an entity organized within the Cayman Islands and at all times  
28 relevant herein maintained its principal offices within the county of San Diego, California.

1       3. There is complete diversity of citizenship between the parties and more than  
2 \$75,000, exclusive of interest and costs, was at stake in the underlying arbitration  
3 proceeding, so that this court has jurisdiction of this matter pursuant to the provisions of 28  
4 U.S.C. § 1332(a)(2) and/or (4).

5       4.     Venue is proper in the United States District Court for the Southern District  
6 of California under 9 U.S.C. Section 9 because the subject arbitration agreement is silent  
7 as to the court in which actions to enforce arbitration awards should be filed and this is the  
8 United States court in and for the judicial district in which the arbitration award sought to  
9 be confirmed was made.

II.

## Factual Background

12       5.     On or about November 8, 1995, the ERTU entered into a written agreement  
13 with Dynamic to allow Dynamic to receive and retransmit the ERTU's Egyptian Satellite  
14 Channel throughout North and South America (hereinafter the "Dynamic agreement"). A  
15 true and correct copy of this agreement as submitted to the American Arbitration  
16 Association ("AAA") in the underlying arbitration proceeding is attached to this Petition as  
17 Exhibit "1." The stated duration of the Dynamic agreement was to be ten years.

18       6.     The Dynamic agreement provided, in Paragraph 20, that any controversies  
19 between the parties arising under the agreement would be submitted to binding arbitration  
20 to be conducted in San Diego, California pursuant to the AAA rules. Said paragraph 20  
21 further provided that judgment upon the award rendered by such arbitration may be  
22 entered in any court having jurisdiction thereof.

23        7. Paragraph 19 of the Dynamic agreement provided that it shall be governed  
24 by and construed in accordance with the laws of the State of California.

25        8. Disputes arose between the parties regarding the rights and duties of the  
26 parties during the time that the Dynamic agreement was in effect. Both parties alleged  
27 various breaches of the agreement.

1       9. On July 19, 2004, Dynamic filed a Demand for Arbitration with AAA. A  
2 supplemental demand was filed September 22, 2004 seeking indemnity. ERTU filed a  
3 Response and Counterclaim on October 22, 2004. Dynamic responded in writing to the  
4 counterclaims on November 22, 2004. The dispute was assigned matter number 50 133 T  
5 00367 04 and was administered through the AAA's International Centre for Dispute  
6 Resolution ("ICDR").

7       10. The parties thereafter stipulated to a three-member arbitral panel consisting  
8 of retired San Diego County Superior Court Judge Alice Sullivan, and practicing  
9 California attorneys Yaroslov Sochynsky and Bruce W. Belding (the “arbitrators”).

III.

## **Finality of Arbitration Award**

12        11. Over a two week period during the latter part of March, 2007 and the early  
13 part of April, 2007, the arbitrators held hearings and heard and received evidence. Both  
14 parties and their counsel attended each day of the hearings. Thereafter, the matter was  
15 deemed submitted and the arbitrators considered and communicated among themselves  
16 regarding the evidence. In a written Final Award dated August 9, 2007, the arbitrators  
17 made their unanimous award (the "Award"). A true and correct copy of the Award is  
18 attached to this Petition as Exhibit "2."

19        12. As set forth more particularly in the Award, the arbitrators denied all claims  
20 and counterclaims of the parties and further decided that neither party shall recover  
21 damages or other relief.

22        13. The arbitrators further declared in the Award that it constitutes a "full  
23 settlement of all claims and counterclaims submitted to this Arbitration."

24        14. The arbitrators also certified that, "for purposes of Article 1 of the New York  
25 Convention of 1958, on the Recognition of Foreign Arbitral Awards, this Final Award was  
26 made in San Diego, California, U.S.A."

27        15. Pursuant to Paragraph 20 of the Dynamic Agreement, the Award is binding  
28 on the parties.

1       16. On September 11, 2007, Dynamic filed a “Petition to Correct Arbitration  
2 Award” with the arbitrators. ERTU filed written opposition. That petition was  
3 unanimously denied by the arbitrators in a Ruling of the Tribunal dated November 1, 2007  
4 (the “Ruling”). A true and correct copy of the Ruling is attached hereto as Exhibit “3.”

5       17. This petition is authorized by the terms of the arbitration provision contained  
6 in the Dynamic agreement, Section 9 of the Federal Arbitration Act, and the Award itself.

7       18. The Award has not been modified or vacated by any court. No prior  
8 petitions to confirm the Award have been made by either party.

9        19. This petition is timely because it is filed within one year after the Award was  
10 made.

## Prayer

12 Wherefore, The Egyptian Radio and Television Union prays that:

13 A. This Court make an order confirming the Award of the arbitrators, as  
14 authorized by Section 9 of the Federal Arbitration Act;

15 B. This Court enter a judgment that conforms to the Award of the arbitrators;

16 C. ERTU be awarded its reasonable attorneys' fees, costs and disbursements in  
17 this proceeding in the event that the petition is opposed; and

D. ERTU have any and all other relief that the Court deems just and proper.

20 | Dated: August 6, 2008

HAIGHT/BROWN & BONESTEEL LLP

By:

Morton G. Rosen  
Gary R. Wallace  
Attorneys for Respondent  
EGYPTIAN RADIO AND  
TELEVISION UNION

## DECLARATION OF GARY R. WALLACE

I, Gary R. Wallace, declare as follows:

3       1. I am an attorney at the law firm of Haight, Brown & Bonesteel, L.L.P.,  
4 counsel of record for Egyptian Radio and Television Union (“ERTU”) in the above-  
5 captioned action. I am a member in good standing of the State Bar of California and have  
6 been admitted to practice before this Court. I have personal knowledge of the facts set  
7 forth in this Declaration and, if called as a witness, could and would testify competently to  
8 such facts under oath.

9       2. This declaration is given in support of ERTU's petition to confirm that  
10 certain arbitration award which was entered in American Arbitration Association ("AAA")  
11 proceeding number 50 133 T 00367 04 (the "arbitration proceeding").

12       3.     In 1995, the ERTU entered into a written agreement with Dynamic to allow  
13 Dynamic to receive and retransmit the ERTU's Egyptian Satellite Channel throughout  
14 North and South America (hereinafter the "Dynamic agreement"). A true and correct copy  
15 of this agreement that was submitted in the underlying arbitration proceeding, with its  
16 amendments, is attached to this Petition as Exhibit "1." The stated duration of the  
17 Dynamic agreement was to be ten years.

18       4.     The Dynamic agreement provided, in Paragraph 20, that any controversies  
19 between the parties arising under the agreement would be submitted to binding arbitration  
20 to be conducted in San Diego, California pursuant to the rules of the AAA. Said paragraph  
21 20 further provided that judgment upon the award rendered by such arbitration may be  
22 entered in any court having jurisdiction thereof.

23        5. Paragraph 19 of the Dynamic agreement provided that it shall be governed  
24 by and construed in accordance with the laws of the State of California.

25       6.      Disputes arose between the parties regarding the rights and duties of the  
26 parties during the time that the Dynamic contract was in effect. Among other things,  
27 Dynamic alleged a breach of the exclusivity provisions of that agreement, which allegation  
28 the ERTU denied.

1       7. On July 19, 2004, Dynamic filed a Demand for Arbitration with AAA. A  
 2 supplemental demand was filed September 22, 2004 seeking indemnity. ERTU filed a  
 3 Response and Counterclaim on October 22, 2004. Dynamic responded in writing to the  
 4 counterclaims on November 22, 2004. The dispute was assigned matter number 50 133 T  
 5 00367 04 and was administered through the AAA's International Centre for Dispute  
 6 Resolution ("ICDR"). I was one of the attorneys who represented the ERTU through the  
 7 entirety of that proceeding.

8       8. The parties thereafter stipulated to a three-member arbitral panel consisting  
 9 of retired San Diego County Superior Court Judge Alice Sullivan, and practicing  
 10 California attorneys Yaroslov Sochynsky and Bruce W. Belding (the "arbitrators").

11      9. Over a two week period during the latter part of March, 2007 and the early  
 12 part of April, 2007, the arbitrators held hearings and heard and received evidence. I was  
 13 present at these hearings with my client. Dynamic was also present at each such hearing  
 14 with its counsel. Thereafter, the matter was deemed submitted and the arbitrators  
 15 considered and communicated among themselves regarding the evidence. In a written  
 16 Final Award dated August 9, 2007, the arbitrators made their unanimous award (the  
 17 "Award"). A true and correct copy of the Award that I received from the ICDR is attached  
 18 to this Petition as Exhibit "2."

19      10. As set forth more particularly in the Award, the arbitrators denied all claims  
 20 and counterclaims of the parties and further decided that neither party shall recover  
 21 damages or other relief.

22      11. The arbitrators further declared in the Award that it constitutes a "full  
 23 settlement of all claims and counterclaims submitted to this Arbitration."

24      12. The arbitrators also certified that, "for purposes of Article 1 of the New York  
 25 Convention of 1958, on the Recognition of Foreign Arbitral Awards, this Final Award was  
 26 made in San Diego, California, U.S.A."

27      13. Pursuant to Paragraph 20 of the Dynamic Agreement, the Award is binding  
 28 on the parties.

1       14. On September 11, 2007, Dynamic filed a "Petition to Correct Arbitration  
 2 Award" with the arbitrators. ERTU filed written opposition. That petition was  
 3 unanimously denied by the arbitrators in a Ruling of the Tribunal dated November 1, 2007  
 4 (the "Ruling"). A true and correct copy of the Ruling that I received from ICDR is  
 5 attached hereto as Exhibit "3."

6       15. This petition is authorized by the terms of the arbitration provision contained  
 7 in the Dynamic agreement, Section 9 of the Federal Arbitration Act, and the Award itself.

8       16. This petition is timely because it is filed within one year after the Award was  
 9 made.

10      17. No previous petition for confirmation of the Award has been filed in any  
 11 court. I am also not aware of any filing by Dynamic in any court to modify or vacate the  
 12 Award.

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14      Executed on August 6, 2008, at Los Angeles, California.

15      I declare under penalty of perjury under the laws of the United States of America  
 16 that the foregoing is true and correct.

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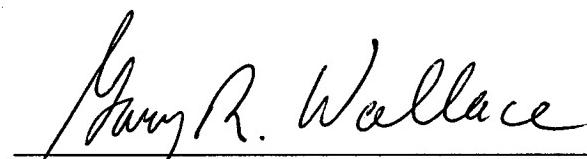
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Gary R. Wallace



Atlanta, Atlanta, Georgia  
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**AGREEMENT  
CONCERNING RECEIPT AND RE-TRANSMISSION OF THE  
EGYPTIAN SATELLITE CHANNEL TO NORTH AND SOUTH AMERICAS**

This Agreement is entered into by and between EGYPTIAN RADIO AND TELEVISION UNION, (hereinafter referred to as "ERTU") located in Arab Republic of Egypt and DYNAMIC INTERNATIONAL INVESTMENT GROUP, LTD., a corporation formed in the Cayman Islands AND its wholly owned subsidiary corporation, INTERNATIONAL PARTNERS GROUP, LTD., a United States corporation located in California (hereinafter collectively referred to as "DYNAMIC").

This Agreement is entered into reference to the following facts:

**RECITALS**

1. WHEREAS, the ERTU has access to certain international satellites which are currently orbiting the earth and capable of transmitting and receiving data, including but not limited to airwaves transmissions of various frequency that are utilized in commercial and government applications, including but not limited to television and other media transmission(s); and
2. WHEREAS, the ERTU seeks to broaden the programming and exposure of Arabic spoken programs / entertainment / news / information and other media presentations on the North American and South American continent utilizing the Egyptian Satellite Channel (ESC); and
3. WHEREAS, the ERTU recognizes the widespread benefit of promoting Arabic programming in the North American and South American continent and therefore generously desires to engage DYNAMIC as exclusive independent licensee to advance a project of providing large scale television media exposure to individuals of Arab background, ancestry and others who support and are connected with the Arabic world but who reside or are visiting in the North or South American; and
4. WHEREAS, in furtherance of the Egyptian government's effort in this benevolent project, DYNAMIC has been selected by ERTU after careful consideration as the exclusive independent licensee for ERTU to make all of the necessary legal and political arrangements to bring to the North and South American continent programming through the transmission via satellite and / or transmissions / reception by other available technology of television and other video and audio media currently transmitted on ESC; and
5. DYNAMIC shall be the sole and exclusive authorized licensee to receive and transmit ESC (and any other satellite channels transmitted by ERTU

*A.B.*

*M.J.S.*

St. Louis Washington Mission  
Reverend B.P. ASI  
Bible - N. SP. B.



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and agreed upon by the two parties ) in North America ( USA and Canada )  
and the South American continent; and

6- WHEREAS, all of the expense in connection with linking ( up link and/or  
downlink ) of the existing satellite frequency transmission under the control  
of the ERTU will be undertaken in North and South America exclusively  
by DYNAMIC; and

7- WHEREAS, KHALID R. MADANI, a Saudi Arabian citizen ( Passport NO.  
A434723 ) and MOHAMMED M. EL MOKADEM, an Egyptian citizen (  
Passport NO. 416378 ) are officers and directors of DYNAMIC  
INTERNATIONAL INVESTMENT GROUP, LTD. and  
INTERNATIONAL PARTNERS GROUP, LTD.;

NOW, THEREFORE, for valuable consideration and based upon the good  
grace and benevolence of the ERTU, the parties agree as follows:

1. This agreement is entered into by the Chairman of the Board of Trustees of  
ERTU who has full power and ability to enter into and grant this exclusive  
access to satellite transmission and appoint an exclusive independent  
licensee for the North American and South American continent.
2. DYNAMIC is hereby appointed as the sole and exclusive authorized licensee  
to receive and transmit ESC ( and other programs developed by ERTU ) in  
North America ( USA and Canada ) and the South American continent. In  
the event other programs and / or channels are developed by ERTU, they  
shall be first offered to DYNAMIC under the same terms and conditions as  
set forth in this agreement, in addition to any new conditions that may be  
warranted by circumstances then prevailing. In all cases, no new channel  
shall passively affect the ESC or compete with it.
3. The term of this agreement shall be ten (10) years from the date the  
transmission of ESC is received by subscribers in the United States, and  
shall be automatically renewable under the same terms and conditions for  
another period of ten years.
4. ERTU shall provide accurate, clear and commercially acceptable Satellite  
media signals acceptable for transmission of ESC to the eastern seaboard of  
the United States of America, and capable of serving the needs of  
DYNAMIC in distributing video and audio re-transmission to the desired  
localities.
5. DYNAMIC shall be responsible for all costs needed for the reception and re-  
transmission of the ESC programs from the Eastern Seaboard of the U.S.A.  
to all subscribers in both North and South America, including - without  
limitation - the U.S.A., Canada, Mexico, and South American countries.

A.B.

M. J.

Atlanta Mid-Atlantic Region  
Regional R.R. Rep.  
E-mail: SKDR@R



6. DYNAMIC shall be responsible for all expenses in transmitting said video and audio transmission received by satellite transmission from the eastern seaboard of the United States of America to subscribers at the destined localities.
7. DYNAMIC hereby agrees to develop the implementation of the project of distribution the transmission of ESC in North and South Americas at stages as follows:  
First stage : the United States of America  
Second stage : Canada  
Third Stage : South American countries  
At those areas where Arabic - speaking subscribers live.
8. DYNAMIC in exchange for the exclusive right to distribute and develop the project agrees that the programming transmitted via the satellite transmission shall be coordinated and presented to the consumer in an appealing manner despite the obvious time difference created by international time zone. The parties acknowledge that some programming will be recorded and transmitted for purposes of appealing to appropriate audiences except for the Telenews which shall be transmitted as soon as recorded, as well as the significant events which should have live transmission.
9. DYNAMIC shall have the right to produce additional programming subject to approval and supervision, by ERTU for the purpose of casting light on the activities of the Arab community and the fostering of their link with the Channel, besides the enhancing and improving consumer subscriptions and ratings.
10. DYNAMIC is hereby granted permission to insert commercial programming based upon standards accepted in the private media / entertainment markets of the North and South American Continents for the expressed purpose of recovering expenses, operation costs and capital improvement and receive a return on its investment associated with the project.
11. DYNAMIC acknowledges that ERTU has existing contractual commitments with a certain advertising agency for three years, assigning to that Agency the right of advertisement through the ESC.
12. DYNAMIC agrees to negotiate with that Agency for permission to procure and introduce advertisements for North and South Americas, against a reasonable compensation to be mutually agreed upon between them.
13. ERTU further agrees in principle that after the expiration of the existing agreement with the above-mentioned advertisement agency, DYNAMIC shall thereafter be appointed the sole and exclusive licensee for ERTU/ESC.

Atlanta Direct Broadcast License  
Assigned BY: AB  
Date - Oct 28 88



in North America ( United States and Canada ) and the South American Continent ( Mexico and South American countries ) with respect to all commercial and consumer applications inclusive of advertisement under the conditions and rates to be agreed upon them between the two parties.

- 12- commencing two (2) years after the first commercial transmission to subscribers in the United States DYNAMIC agrees to pay ERTU a royalty in ERTU of eight per cent (8%) per year on all ESC consumer revenues received from subscribers in the North or South America Continent.
- 13- DYNAMIC shall have the option but not the obligation to utilize and distribute any transmission other than ESC under the same bases of this contract, if at any time ERTU should transmit on any other channel or frequency other than ESC, any new condition to be agreed upon by the two parties shall be emanating from the then prevailing conditions.
- 14- The two parties hereby represent and warrant that they have all the power and ability to enter into this agreement and perform the obligations stipulated therein. Moreover, ERTU represents that all copyright intellectual property rights, royalties, permits, reproduction rights, distribution rights associated with the media transmitted via satellite transmission have been satisfied compensated all / or paid by the ERTU and its hereby agrees to hold DYNAMIC, its agents and assigns free and clear of any and all claims in this respect.
- 15- This agreement shall be binding upon the two parties and may not terminated, modified, or amended without the written authority of the two parties to this agreement.
- 16- The parties acknowledge that DYNAMIC shall incur large capital expenditure required to capture and distribute the satellite transmissions to the consuming public and therefore agree that in the event of unilateral termination or cancellation of this agreement without legal justification based on any breach of obligations under this contract, the injured party shall preserve its right to obtain reasonable damages.
- 17- DYNAMIC hereby commits to utilize its best efforts to develop the project in reasonable fashion and to be capable of transmission for public consumption programming of video and audio media on or before May 31, 1996, subject only to unavoidable delays which are outside the control of DYNAMIC.
- 18- The two parties acknowledge of this agreement cancels any previous commitments of either party with other parties, whether verbal or written, relating to the right to explore and re-transmit the ESC in North and South America.

Arabic And English Edition  
Arabic Ver. No.  
Date: 20. 8. 08.



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Any other previous commitments or obligations that may appear in future shall not be binding to any party. Any Amendment to this Agreement shall not be effective unless be in writing and signed by both parties.

19. This Agreement shall be governed by and construed in accordance with applicable laws of the state of California.
20. Any dispute arising out of this Agreement or relating to any branch of its provisions, shall be settled amicably between the two parties. Should it be possible to reach amicable solution, the parties shall resort to arbitration to be conducted at San Diego, California, in accordance with the rules of the American Arbitration Association. Any judgment upon the award rendered by the Arbitration may be entered in any Court having jurisdiction thereof.
21. Should any expenses or Attorney fees incurred by Arbitration shall be born by the party as may be designated by the Arbitration.
22. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.
23. The Agreement is made in Two versions, one in English and other in Arabic. Any dispute involving this Agreement shall be resolved based solely on reference to the English version of this Agreement.
24. This Agreement is made in four copies, Two in English and Two in Arabic.

Each party has received an original copy in Arabic and one original copy in English, to act accordingly.

A.B.

R.J.H.

Arabic: Arabic English Arabic  
Egyptian EGYPT.  
Cairo - 30 SEP 2008.



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Made at the premises of the Egyptian Radio and Television Union,  
in Cairo, Egypt.

Dated: 8/11/1995

**EGYPTIAN RADIO AND TELEVISION UNION  
(ERTU)**

By:

A. Bassioni

AMIN BASSIOUNI

**DYNAMIC INTERNATIONAL INVESTMENT GROUP, LTD.,  
a Cayman Island Corporation**

By:

Khalid H. Madni

By:

**MOHAMED M. EL - MOKADEM**

**INTERNATIONAL PARTNERS GROUP , LTD., a United States  
corporation, doing business in the State of California.**

By:

KHALID H. MADNI

By:

**MOHAMED M. RI - MOKADEM**

M. Mokadem

"FOUAD NEMAH"

Arabic Tel. 2367800  
Cairo Tel. 3922124

1

CHAIRMAN OF THE TRUSTEES COUNCIL

Amendment to the Contract of  
Receiving and Retransmitting the  
Egyptian Satellite Channel  
To North America and South America

This contract was concluded between the Radio and Television Union of the Arab Republic of Egypt (referred to hereinafter by the word "Union") and Dynamic International Limited Investment Group, a company incorporated in Cayman Islands (referred to hereinafter by the word "Dynamic"), comprising the following facts :

1. On Nov. 8, 1995 a contract was concluded between the Union and Dynamic at the headquarters of the Radio and Television Union in Cairo, Arab Republic of Egypt,
2. Whereas the Union has contacted Dynamic Company for the purpose of promoting the broadcasting of Arabic Programs that shall be transmitted from the Arab Republic of Egypt,
3. And whereas the promotion and distribution of the two additional channels (Nile TV and Nile Drama) shall require large capital investments, connections and computers in addition to the obligations emanating from hiring more employees for advertising, marketing and distributing,
4. And whereas the volume of additional programs shall require Dynamic to make available three channels on the satellites in North America and South America, and such expansion in the Egyptian Satellite Channels shall further go beyond, in its range and quality, what was mentioned in the original agreement concluded on Nov. 8, 1995.
5. And whereas the introduction and distribution of the Nile TV and Nile Drama Channels over a wide range shall require Dynamic to incur direct costs represented in adding digital compression and broadcasting devices, television systems and coding systems, besides additional administrative arrangements for managing the Subscribers Service System,
6. And whereas Article (15) of the agreement of Nov. 8, 1995 states that this agreement may be amended by a written agreement, and pursuant to elaborate research and in order to realize the interest of the Radio and Television Union, hence both parties agreed to amend the agreement as follows :

---

I, Fouad Nemah, hereby affirm that I am competent to translate the attached document from the Arabic Language to the English Language and that the translation is accurate.

Authorship & Translation  
Scientific Bureau

**FOUAD NEMAH.**

34 (A) Sherif St., Helipolis Tel. 2367800  
37 Kam El Nil St., Cairo Tel. 3922124

1. Due to the high cost that shall be incurred by Dynamic in order to expand the range of distributing the Nile TV and Nile Drama Channels in North America and South America, the agreement of Nov. 8, 1995 shall comprise the Egyptian Satellite Programs of these two channels in addition to the programs that Dynamic currently obtains.

And due to the fact that the Nile TV and Nile Drama Channels do not transmit programs over a 24 (Twenty Four) hours period, which consequently shall require Compressed Transmission Devices, Dynamic shall be exclusively entitled to distribute the Nile TV and Nile Drama Channels over one or more channels by the time-share.

The Radio and Television Union agrees, in addition to the foregoing, to assist in promoting Nile TV International and Nile Drama Channels by producing high quality audio-visual promotional materials which Dynamic could use and transmit to the television channels in both continents of North America and South America with the objective of attracting viewers interest to the programs of the Egyptian Satellite, Nile TV and Nile Drama Channels.

2. The program expansion of the channels that the Union shall transmit (comprising the Nile TV and Nile Drama) shall be received by a quality clear signal at the Ground Station determined by Dynamic in the East Coast of the United States of America without the Union incurring any extra expenses in the United States of America.
3. Dynamic and the Union have agreed to amend Article (10) of the contract concluded between them on Nov. 8, 1995 so that it shall include the following additional conditions :
  - As regards Commercials which shall be introduced by Dynamic in North America and South America, it shall pay to the Union an amount equal to 8% (Eight Percent) of the revenues of these Commercials (after deducting the Commercials regular commission) that shall be broadcasted through the Egyptian Satellite Channel and the Nile TV Channel. This shall be applied after two years from the start of the coded distribution (by actual subscriptions collected), on condition that Dynamic would be able - in all conditions - to reach an appropriate agreement with Advertisement Agencies which have the concession right of advertising on these Channels.

I, Fouad Nemanah, hereby affirm that I am competent to translate the attached document from the Arabic Language to the English Language and that the translation is accurate.

Authorship & Translation  
Scientific Bureau

**FOUAD NEMAH**

14 (A) Shari' El-Nil, Cairo Tel. 3922120  
17 Khar El Nil St., Cairo Tel. 3922120

As regards the Nile Drama Channel, Dynamic Company shall pay to the Union a sum equal to 8% (Eight Percent) of the revenues from Commercials after deducting the regular Commercials commissions for the Commercials that shall be broadcasted from the two Americas.

This shall be applied after two years from starting the coded distribution (actual subscriptions collected), on condition that Dynamic Company would be granted the exclusive right to transmit these Commercials in the two Americas.

4. Dynamic and the Union have agreed to amend Article Twelve (12) of the contract referred to in the previous Article to include the following additional conditions :

The Nile TV Channel and the Nile Drama Channel shall be marketed initially to subscribers as one pack for one year aiming at getting the viewer acquainted with these two channels. Both parties agree that in the future each one of these two channels shall be marketed separately with a separate subscription and a rate different from that of the Egyptian Satellite Channel.

Dynamic shall pay the Union an amount equal to 8% (Eight Percent) of the revenues of the Nile Drama Channel which shall be collected from subscribers in North America and South America. It shall also pay the Union an amount equal to 4% (Four Percent) of the revenues of the Nile TV International that shall be collected from subscribers in North America and South America. The Union has agreed that it shall obtain these amounts after two years from starting the transmission of the programs of these two channels to subscribers in the United States.

5. All other conditions of the original contract concluded on Nov. 8, 1995 shall remain supported, approved and applicable.

6. This complementary contract was drawn up in four copies, two in the English Language and two in the Arabic Language. Each party shall keep an original copy in the Arabic Language and another copy in the English Language, at the headquarters of the Radio and Television Union in Cairo, Arab Republic of Egypt on .../..../1996.

Radio & Television Union

Amin Ibrahim Basayouny  
(Signed)

Dynamic International Limited  
Investment Group  
Mohamed Mohamed El Mokadem  
(Signed)

I, Fouad Nemah, hereby affirm that I am competent to translate the attached document from the Arabic Language to the English Language and that the translation is accurate.

Authorship & Translation  
Scientific Bureau

FOUAD NEMAH

14 (A) Sherif St., Heliopolis Tel. 267808  
37 Kamel El-Nafisi, Cairo Tel. 3922174

Translation

C. Bureau

**NEMAH**

1

**CHAYMAN OF THE TRUSTEES COUNCIL  
Radio & Television Union**

Amendment to the Contract of  
Receiving & Retransmitting Egyptian Satellite First Channel

To North America and South America

Signed Between the Radio & Television Union in the  
Arab Republic of Egypt

Referred to Hereinafter by "Union" and  
Dynamic International Limited Investment Group

Referred to Hereinafter by "Dynamic"

on Nov. 8, 1995

**Preamble**

Whereas both parties discussed the provisions stated in the contract concluded between them - most important of which is the obligation of the Second Party (Dynamic) to incur all the costs required for receiving and retransmitting the Egyptian Satellite Channel from the Eastern Coast of the United States of America till reaching public subscribers in North America and South America including the United States of America, Canada, Mexico and the States of South America; and whereas the said Company shall also bear the responsibility of receiving and retransmitting the Egyptian Satellite Channel from the Eastern Coast of the United States of America till reaching public subscribers in targeted areas.

Hence both parties reviewed what Dynamic previously expressed on March 1 st., 1997 concerning its dire need for a financial support amounting to \$ 800,000.00 (Eight Hundred Thousand American Dollars) in the wake of the suspension of the said Company to its fulfillment of some of its financial obligations which resulted in the suspension of the transmission of the Channel to subscribers during the beginning of March 1997.

In light of what the Company's two representatives indicated, namely that the financial difficulties were unexpected due to the costs incurred by the Company in establishing the infrastructure required to fulfill its obligations as well as the high cost of operation, and how it shall restore its financial equilibrium within a few months and achieve a revenue that will enable it to settle the amount referred to, provided that the Union would continue on assisting it in performing the monthly operation obligations for a maximum period of six months at a rate of \$ 270,000.00 (Two Hundred and Seventy Thousand American Dollars) per month, provided that the Company shall abide by its settlement to the Union as stated hereinafter.

I, Fouad Nemanah, hereby affirm that I am competent to translate the attached document from the Arabic Language to the English Language and that the translation is accurate.

**Authorship & Translation**  
Scientific Bureau

**FOUAUD NEMAH**

12 Marj Al-Sarik, Cairo Tel. 02 2746989

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17.

PRES.ERIU.ENG.A.HAFEEZ ID:5746989



If the receiving and retransmitting of the Egyptian Satellite Channels in the United States of America is suspended at any time as from the first of April 1997 as a result of negligence attributed to the Company, then Dynamic shall be solely responsible for the foregoing. This shall be considered a grievous breach of its obligations specified in the original contract and its amendments.

**Fourth :** Dynamic shall comply with paying back the amounts stated in the Second Item as well as other amounts previously transferred to the account of Dynamic over monthly installments to start as from the beginning of December 1997 and end at the beginning of December 2006. The value of one installment was estimated to be 7% of the total revenues of Dynamic from subscriptions and commercials, at a minimum of \$ 30,000.00 (Thirty Thousand American Dollars) per one installment. Failing to pay back these installments by Dynamic to the account of the Union on their dates shall be considered a breach of its obligations, according to the provisions of this contract, which in turn shall lead to the following :

1. In case of delay in settling one installment in its due date, an interest on the complete amount of the installment shall fall due, calculated on the basis of the Lending rate of Commercial Banks in the United States of America, for the period of the delay.
2. If the delay in the settlement of the same installment exceeds one month from its due date, a delay fine of 2% of the delayed amounts shall be added to the interest rate as well as for any subsequent month.
3. In case of delaying settlement of three consecutive installments for a period of three months, the Union shall be entitled to dissolve this contract and obtain damages which shall be measured according to Commercial Banks lending rates, added thereto 2% of the delayed amounts.

**Fifth :** By virtue of this contract, Dynamic hereby declares that all its properties in the United States of America as well as in any other place in the world shall be collateral for its fulfillment of all the Union rights due on Dynamic emanating from this contract, the original contract and its amendments.

---

I, Fouad Neman, hereby affirm that I am competent to translate the attached document from the Arabic Language to the English Language, and that the translation is accurate.

Authorship & Translation

Selenitic Bureau

**FOUAD NEMAH**

1000 1st Street, Minneapolis, MN 55401  
P.O. Box 12000, Cairo, Egypt Tel: 2322200

Sixth : It is agreed upon between both parties that Dynamic shall be prohibited from entering into any partnership of any kind with third party concerning executing this contract, the original contract and its amendments with all its original and added contents, except after obtaining a written approval from the Union in this respect.

Dynamic shall also be prohibited from admitting new partners to the Company, and each partner shall also be prohibited from assigning his share in the Company to any person apart from the current partners, except after obtaining a written approval from the Union. In such case the Union shall be entitled to condition its approval on the rescheduling of the amounts due for settlement.

Seventh : Both parties agreed that Dynamic Company shall bring in, promote and introduce Commercials to the Egyptian Satellite First Channel on behalf of the Union by virtue of the right prescribed to the Union in the contract concluded between it and Tchama Advertisements Company, against Dynamic Company abiding by settlement of a rate of 7.5% of the revenue of commercials, which is the rate mentioned between the Union and Tchama Company, provided that settlement shall be effected on the date specified in the amendment attached to the original contract, in addition to the rate of 6% specified in this amendment, and provided that the Union shall settle the rate due to Tchama Company by itself, without Dynamic Company having any obligation towards Tchama Company in this concern. The Union also declares its responsibility towards Tchama Company for all what is related to the commercials broadcasted by Dynamic on behalf of the Union.

Eighth : This contract, the original contract and its amendments shall be considered dissolved after the lapse of three months from the date of notifying the Company of its breach to its obligations determined by virtue of this contract or the original contract and its amendments, on condition that the Union would not be a party thereto. As a result of the foregoing, it shall not be entitled to recourse to the Union for any damages or expenses incurred by it in this respect.

Ninth : This amendment shall not affect the execution of the other provisions stated in the original contract and its amendments to which no amendments have been introduced in this contract.

I, Youaid Nemah, hereby affirm that I am competent to translate the attached document from the Arabic Language to the English language and that the translation is accurate.

Arabic-English Translation  
Arabic Bureau

YOUAID NEMAH

10/F, St. Helene Tel. 010-26000000  
UNITED, Cairo Tel. 02-5311111

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Tenth : This complementary contract was drawn up in four copies in the Arabic Language; the First Party shall keep three copies and the Second Party shall keep one copy to act accordingly.

Eleventh : This contract was signed by both parties at the headquarters of the Radio and Television Union in Cairo, Arab Republic of Egypt on March 30, 1997.

Radio & Television Union  
Eng/ Abdel Rahman Hafez  
(Signed)  
March 30, 1997

Dynamic International Limited  
Investment Group  
Mohamed Mohamed El Mokadem  
Khaled Hashim Madany  
(Signed)

I, Fouad Nemah, hereby affirm that I am competent to translate the attached document from the Arabic Language to the English Language and that the translation is accurate.

Authorship & Translation  
Scientific Bureau  
**FOUAD NEMAH**  
1100 Shams, Giza, Egypt Tel: 02 2000000  
P.O. Box 1100, Giza, Egypt Tel: 02 2000000  
12 Kmt Al Mirdam, Cairo Tel: 02 2000000

**Appendix**  
***Of Agreement on Broadcasting***  
***ESC 1 in North America & South***  
***America, entered by and between***  
***ERTU and Dynamic International***  
***Investment Group Ltd, in 8/11/1995,***  
***as well as its appendices signed in***  
***1996 and 30/3/1997***

**Preamble**

- ERTU previously agreed to grant Dynamic International Investment Group Ltd a loan of US \$ 2550000 ( only 2 millions five hundred fifty thousand United States dollars) by virtue of Appendix of Amendment Agreement of receiving and re-broadcasting the Egyptian Satellite channels, signed by the two parties in 30/3/1997, provided that the company shall start repayment of such loan as well as ERTU's share of subscriptions due to ERTU, on installment, effective 1/12/1998.
- As the company expressed its wish to postpone repayment of ERTU's financial dues by the company ( Installments of the loan previously extended by ERTU to the company and ERTU's share of subscriptions to be due to ERTU, effective 1/12/1998.
- Then the company requested by virtue of facsimile dated 5/3/1999 that the effective date

for repayment of loan as 30/1/2001 and that the effective date of paying ERTU's share of subscriptions, at 8 %, as 30/1/2001 till the expiration of duration of contract period, as at 30/11/2005.

- On its part, ERTU has no objection as to respond to the company's requests, except for the payment of ERTU's dues of subscriptions, as to be effective 30/1/2000, instead of 30/1/2001, as was required by the company, that is, by a term of grace of one year only. This is in expression of goodwill of ERTU vis-à-vis the company, and in expression of ERTU's wish to continue its contract with the company, in assertion of the importance of the company's continuing to fulfill its obligations vis-à-vis the ERTU, in guarantee of transmitting the mass media message to the areas targeted under the contract with the company, and in expression of the ERTU's wish not to enter any disputes by any of the two parties.
- Accordingly, ERTU has thus responded to all that company expressed of wishes, by securing all the facilities possible, so that there would not be any excuses on part of the company, that would impede its continuation of fulfilling its contractual obligations vis-à-vis the ERTU, till the expiration of contract duration in 30/11/2005.
- Within the framework of the foregoing, the two parties have agreed as follows:

**Article One:**

The preceding preamble shall be considered an integral part of this agreement.

**Article Two:**

The Second Party "Dynamic" undertakes the repayment of the value of the loan aforementioned in the preceding preamble, totaling US \$ 2550000 (Two million five hundred and fifty thousand United States dollars), on basis of monthly installments, of US \$ 43966 (Forty-three thousand nine hundred sixty six United States dollars), subject to starting payment of first installment in 30/1/2001, for a period of 58 months (fifty eight months) providing that all of these installments be repaid by the end of the contract duration in 30/11/2005.

**Article Three:**

In addition to its obligations indicated under the preceding article, the Second Party (company) undertakes to pay ERTU its share of subscriptions to be due on monthly basis, together with the installments of the loan in the manner set forth in the preceding article, effective 30/1/2000, on basis of evidence documents, up to the expiration date of contract in 30/11/2005.

**Article Four:**

The company undertakes to pay ERTU's dues as indicated in article Two and Three, by transferring them to ERTU's account at the due dates aforementioned, to the account number and bank address of the ERTU, of which the ERTU shall advise the company within an ample time before the due date.

**Article Five:**

In the event the Second Party (Dynamic) breaches any of its obligations set forth in this agreement, by defaulting to pay ERTU's dues at the due dates specified under this agreement, the following rules shall be applied:

- 1-In case of delaying payment of one installment of the loan and the ERTU's share of subscriptions, an interest on all the delayed amounts shall be due on basis of the lending interest rate at the US commercial banks, at due date, for the period of delay.
- 2-If delay in paying the amounts aforementioned in this agreement exceeded one month from due date, a delay fine of 25% of the delayed amounts shall be due in addition to the interest aforementioned in the preceding item, and for each subsequent month.

**3-In case of delaying payment of three installments of the dues abovementioned for a period of three months, ERTU shall have the right to nullify this agreement and claim for damages that are estimated at value of lending interest rate of commercial banks announced at due date, plus 25 % of the delayed amounts.**

**In such case, the ERTU shall have the right to terminate the contract entered into in 8/11/1995, together with its two appendices dated 1996 and 30/3/1997, without need of warning or taking any other action.**

### **Article Six:**

**All other conditions set forth in the original contract, entered into 8/11/1995, and its two amendments of 1996 and 30/3/1997, shall be maintained, authenticated and applicable, so long as they are not countervailing the provisions of this agreement.**

### **Article Seven:**

**This agreement has been executed in two copies, each party has a copy to set wherewith. Signatures of Second Party's members were authenticated before the**

**competent authorities at the Egyptian  
Embassy in the United States.**

**First Party**

**Egyptian Radio & TV Union  
Eng. Abdel Rahman Hafez**

**Second Party**

**Dynamic International Investment Group Ltd  
Mohamed Mohamed el-Mokadem  
Khaled Hashem Macanil**

6



**INTERNATIONAL CENTRE FOR DISPUTE RESOLUTION**  
**International Arbitration Tribunal**

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In the Matter of the Arbitration between:

Re: 50 133 T 00367 04

Dynamic International Investment Group, Inc. Petitioner and Counter-Respondent  
vs  
Egyptian Radio and Television Union, Respondent and Counter-Claimant

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**AWARD OF ARBITRATORS**

We, THE UNDERSIGNED ARBITRATORS, having been designated in accordance with the arbitration agreement entered into between the above-named parties and dated November 8, 1995, having been duly sworn, and having duly heard the proofs and allegations of the Parties, do hereby AWARD as follows:

The parties stipulated to binding arbitration before the undersigned Arbitrators. The hearing was held at the American Arbitration Association offices located at 600 B Street, Ste. 1450, San Diego, California on March 26, 27, 28, 29 and April 5, 2007. Victoria L.H. Boone, Esq., Garrett Lenox, Esq. and Ahmed el Mokadem, Esq. of Fahmy & Boone, LLP appeared on behalf of Petitioner and Counter-Respondent Dynamic International Investment Group, Inc. ("Dynamic"). Gary Wallace, Esq., Jeffrey A. Vinnick, Esq., of Haight Brown & Bonesteel, LLP, and Dr. Bahieldin Elibrachy, Esq. and Nevine Abou Alam, Esq. of Ibrachy & Dermarkar, appeared on behalf of Respondent and Counter-Claimant Egyptian Radio and Television Union ("ERTU").

Briefs were filed and reviewed, witnesses testified, documentary evidence was admitted, and arguments were presented. This arbitration is pursuant to the Licensing Agreement ("the Contract") between the parties dated November 8, 1995. The parties stipulated to binding arbitration pursuant to the Rules of the International Centre for Dispute Resolution ("ICDR").

Dynamic filed the Demand for Arbitration of its claims against ERTU on July 19, 2004. A supplemental demand was filed September 22, 2004 seeking indemnity. ERTU filed a Response and Counterclaim on October 22, 2004. Dynamic responded to the counterclaims on November 22, 2004.

**CLAIMS**

Dynamic filed the following claims for breach of contract:

1. ERTU "breached its exclusive contract with Dynamic by terminating the Contract without just cause";
2. ERTU "breached its exclusive contract with Dynamic by simultaneously providing exclusive

rights to Kelly Broadcasting Systems..."<sup>1</sup>; and,

3. ERTU breached the Contract (Par. 21) by failing to reimburse Dynamic for attorneys' fees and costs incurred in defending an action brought by Arab American Television ("AATV") against Dynamic.

#### COUNTERCLAIMS

ERTU filed the following counterclaims:

1. Dynamic breached the Contract by failing to repay the sums loaned by ERTU, totaling Two Million Five Hundred and Fifty Thousand Dollars (US\$2,550,000); and,
2. Dynamic breached the Contract by failing to pay any past or future subscriber revenue to ERTU. This claim was withdrawn at the arbitration hearing.

ERTU's Counterclaims seek "consequential damages to reputation" and "compensation for expenses incurred by ERTU in providing the channels to Dynamic".

#### LICENSING AGREEMENT

The case arises out of the Contract which granted Dynamic "exclusive rights" to receive and broadcast by satellite certain Egyptian-language television programs including the Egyptian Satellite Channel ("ESC") into North and South America. A 90-day notice of termination of the Contract was given by ERTU in August 2000.

The Contract provided, in part:

"2. DYNAMIC is hereby appointed as the sole and exclusive authorized licensee to receive and transmit ESC (and other programs developed by ERTU) in North America (USA and Canada) and the South American continent. In the event other programs and / or channels are developed by ERTU, they shall be first offered to DYNAMIC under the same terms and conditions as set forth in this agreement, in addition to any new conditions that may be necessitated by circumstances then prevailing. In all cases, no new channel shall passively affect the ESC or compete with it."

Dynamic was required "to utilize its best efforts to develop the project in reasonable fashion and to be capable of transmission for public consumption programming of video and audio media on or before May 31, 1996, subject only to unavoidable delays which are outside the control of DYNAMICS." [sic]

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<sup>1</sup> Although not asserted as a formal claim, there was discussion during the hearings of ERTU's not having offered new programming to Dynamic as required by paragraph 2 of the Contract. Presumably, this claim has not been seriously pursued by Dynamic because the evidence shows that Dynamic clearly acquiesced with (indeed welcomed) ERTU's decision not to add new programming to Dynamic's contractual obligations because of Dynamic's difficulties in meeting its obligations with respect to the programming it had initially been provided under the Contract.

ERTU "...shall provide accurate, clear and commercially acceptable Satellite media signals acceptable for transmission of ESC to the eastern seaboard of the United States of America, and capable of serving the needs of DYNAMIC in distributing video and audio re-transmission to the destined localities."

The Contract was amended three times. The amendments are discussed below.

Paragraph 19 of the Contract provides that it "shall be governed by and construed in accordance with applicable laws of the State of California."

#### TERMINATION

ERTU faxed notice of termination of the Contract from Cairo on August 3, 2000. The notice stated:

"Due to the fact that the interruption of the transmission constitutes grave violation of the contract, signed with you which clearly stipulates for your guaranteeing of the transmission without any interruption or halt for any period. Thus, and according to all what is mentioned above, ERTU warns you that ERTU regretfully will have to effect the articles of the contract concluded with you and its annexes in what is related to annulling it and the compensation for the grave damages we suffered. Best Regard, ERTU Chairman Eng. Abdel Rahman Hafez."

#### ISSUES

The issues at arbitration are (1) whether ERTU breached the Contract; (2) whether the statute of limitations or accord and satisfaction defeat Dynamic's claims for breach; (3) whether Dynamic breached the Contract; (4) whether any breach by ERTU defeats the claim; (5) damages to either or both parties; and (6) allocation of fees and costs. To determine these issues required a detailed look at events over many years, from the inception of the Contract in 1995 until 2004 when the Demand for Arbitration was filed. Some pertinent facts are noted below.

#### HISTORY

The parties had numerous differences between 1995 when the Contract was signed and 2000 when it was terminated. Dynamic encountered some difficulty in maintaining continuous and clear transmission of the Egyptian channels in the first year after launch. In March 1996, shortly after the channels were launched, Dynamic and ERTU were sued by AATV in Los Angeles Superior Court. AATV previously held the licensing rights to broadcast the ERTU channels. AATV alleged breach of its contract by ERTU and alleged interference by Dynamic, who obtained the rights previously held by AATV<sup>2</sup>. The claims against Dynamic were eventually dismissed on Motion for Summary Judgment after several years of litigation. Dynamic paid the necessary fees and costs to defend itself during the litigation, which exacerbated its financial condition. Dynamic seeks indemnity from ERTU for these expenses incurred in defending the action by AATV.

During the first years of the Contract, Dynamic incurred unexpected expenses to obtain a second satellite license and paid substantial monthly fees to meet its two satellite contractual obligations.

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<sup>2</sup> The claims against ERTU were arbitrated in Egypt and ERTU obtained an award of approximately US \$13million.

Dynamic suffered financial problems as it invested capital to ensure the availability of satellite transponders, marketing to subscribers and other start-up costs. There was little revenue to pay for these continuing expenses. The subscriber and advertising revenue did not grow as anticipated in Dynamic's business plan. The sporadic transmission exacerbated the problem of getting and retaining subscribers. Both Dynamic and ERTU were dissatisfied.

#### The 1996 Amendment (No. 1)

Dynamic requested additional channels from ERTU with the expectation it would increase its ability to market a package of Egyptian channels in the U.S. Dynamic hoped this would bring in increased revenue to support the ongoing expenses. Pursuant to the Contract "DYNAMIC was responsible for all costs needed for the reception and retransmission of the ESC programs from the Eastern Seaboard of the U.S.A. to all subscribers in both North and South Americas, including - without limitation - the U.S.A., Canada, Mexico and South American countries." On August 18, 1996, the parties executed an amendment (No. 1) which licensed two additional channels to Dynamic: "Nile TV" and "Nile Drama", in exchange for royalty payments to ERTU. According to the recitals of this Amendment, "[t]his modified and expanded Egyptian satellite programming is of a far larger scale and quality as contemplated by the initial agreement entered into by and between the parties on November 8, 1995."

#### The 1997 Amendment (No. 2)

The parties amended the Contract in 1997 to memorialize a loan from ERTU to Dynamic and add termination provisions to the Contract. ERTU loaned Dynamic \$800,000 and agreed to provide monthly payments of \$270,000 for six months to further assist Dynamic with its financial problems. Additional provisions relating to subscriber and commercial royalties were also included. The Amendment prohibited Dynamic from entering into any other partnerships.

At about the time the 1997 Amendment was adopted, Dynamic had notified ERTU that "the transmission of the Egyptian satellite channels shall cease from next Tuesday 4/3/97...." ERTU required that the Amendment add a termination provision for any future disruption in service:

"In case the reception and transmission of the Egyptian Satellite Channel is interrupted in the USA, at any time as of April 1, 1997 due to negligence on the part of the company, Dynamic shall be responsible for such interruption, which shall be deemed a serious infringement of its obligations as defined in the original contract and its amendments."

The Amendment provided a 90-day notice period:

"This contract and the original contract and its amendments shall be deemed null and void three months after the date of notifying the company of its infringement of its obligations in conformity with this contract for reasons not related to the ERTU. Accordingly, the company may not demand any damages or any expenses incurred as a result of this."

The parties have interpreted this as a 90-day cure period. Notice of termination was first given by ERTU on August 26, 1997 after Dynamic failed to maintain transmission of the programming.

**KBSA**

Meanwhile ERTU, which was losing faith in Dynamic's ability to perform, also negotiated a Memorandum of Understanding ("MOU") with Kelly Broadcasting Systems of America ("KBSA") on March 10, 1997. This MOU specified that ERTU would grant an "exclusive" license to KBSA to broadcast ERTU Egyptian Programming in North and South Americas. This programming would violate the license exclusivity granted to Dynamic. The MOU further provided that a license agreement would be executed incorporating the terms of the MOU. In August 1997, the licensing agreement was executed which granted KBSA "exclusive" rights to the following programming:

**"Schedule A****Description of programming:**

1. all programs as broadcast on Egyptian Space Channel #1
2. all programs as broadcast on Egyptian Space Channel Nile Drama
3. all programs as broadcast on Egyptian Space Channel Nile International Channel".

The channels included Egyptian Channel 1 and Nile Drama, the same and competitive channels licensed "exclusively" to Dynamic, for the same territories of North and South America.

ERTU did not disclose the existence of this licensing agreement to Dynamic. According to ERTU, the KBSA license agreement was a "conditional" contract which ERTU expected would take effect when Dynamic failed to reinstate the ERTU programming within 90 days of the notice of termination given by ERTU in 1997.

Both Dynamic and KBSA then had conflicting rights granted by ERTU. ERTU's solution was to not transmit ESC1, Nile Drama or Nile TV from Egypt to KBSA in the US. This was to avoid direct conflict with the programming licensed to and transmitted by Dynamic.

In the meantime, KBSA was expending funds to execute on its licensing agreement and began pressing ERTU for the programming. ERTU ultimately provided other Egyptian channels to KBSA, including ESC2 and "thematic" channels. ESC2 had similar, but not identical programming to that on ESC1, the channel licensed to Dynamic.

Dynamic quickly learned of conflicting Egyptian programming coming into the marketplace. This caused Dynamic to warn KBSA of interference. On August 19, 1997, the General Counsel for Dynamic wrote to Michael Kelly of KBSA alleging interference with the Dynamic contract with ERTU. The letter demanded that Kelly cease and desist and concluded that "Dynamic shall continue its investigation and determine how is [sic] shall proceed."

On August 22, 1997 representatives of Dynamic and ERTU met in La Jolla to discuss their differences. ERTU presented a change to the Contract terms, which was rejected by Dynamic. On August 25, 1997, ERTU gave Dynamic notice of termination based on its failure to maintain transmission of the channels in the U.S.

In early September, Kelly wrote to his associate Riyad AlShuaibi, expressing frustration with ERTU.

"As you know, we negotiated a license, distribution and transmission agreement with the ERTU having been advised by ERTU that the ERTU was free to enter into a contract with a third party. Now we learn that there may be 'a notice and cure period' before ERTU is free to enter into another agreement. ERTU has asked us for a possible solution to the dilemma and has requested that KBSA provide certain services to ERTU that KBSA has the capacity to provide and are needed by ERTU."

Dynamic was able to retransmit within the 90 days. In October 1997 Dynamic informed ERTU of the resumption of broadcasting on October 30, 1997 via Ethnic American Broadcasting Company ("EABC"). This was within the cure period and the Contract continued in force.

In 1998, Dynamic was still struggling financially, with the subscriber and commercial bases being insufficient to support operations. Dynamic continued to report interference by KBSA to ERTU. Dynamic threatened ERTU regarding this breach. ERTU continued to give conflicting information to Dynamic and others regarding the KBSA rights.

Dynamic also sought forbearance on its loans with ERTU on which payments were becoming due.

#### The 1999 Amendment (No. 3)

The parties adopted Amendment No. 3 in February 1999, which provided that Dynamic's repayment of loans would be extended. ERTU agreed to accept monthly installment payments. In addition ERTU agreed to a delay in royalty payments which were to be paid from subscriber and advertising revenue.

In late 1999, Dynamic informed ERTU that its current satellite services provider EABC would go into bankruptcy and promised that there would be an alternative provider. The transmission was again interrupted from May 2 to August 3, 2000. ERTU sent notice of termination.

#### BREACH OF CONTRACT: LICENSING

We find that ERTU breached the Contract. ERTU's granting of the above-described rights to KBSA, its misrepresentations to Dynamic, its entry into and failure to disclose the existence of its contract with KBSA, and its conflicting messages about the existence of competing rights, constituted a breach of the Contract and a breach of the implied covenant of good faith and fair dealing.

#### Statute of Limitations

ERTU asserts the statute of limitations in defense of these claims. Dynamic filed a Demand for Arbitration of its breach of contract claim against Respondent ERTU on July 19, 2004.

After a detailed review of the documents and testimony, we conclude that the breach of contract claim accrued to Dynamic by 1999. It was clear to Dynamic as of 1999 that ERTU had breached the Contract by allowing KBSA to broadcast other Egyptian programming, in violation of Dynamic's exclusive license.

The preponderance of the evidence is that Dynamic elected to proceed, despite the clear actual breach, hoping that it would eventually succeed and recoup its losses and earn revenue from the venture.<sup>3</sup>

The evidence establishes that Dynamic made a reasoned and considered choice to try and succeed with the transmission of the channels, rather than risk litigation with ERTU. Dynamic was at risk because it owed money to ERTU. Dynamic did not have the funds to repay the loans and was in breach of this provision of the Contract.

Dynamic asserts estoppel to toll the statute of limitations based upon the conduct of ERTU. If Dynamic relied upon representations of ERTU that KBSA had no conflicting rights, its reliance was not reasonable or justifiable as of 1999 given what Dynamic knew. The conflicts in the marketplace from the activities of KBSA had continued since 1997 and Dynamic knew of ERTU's role in the interfering conduct.

Dynamic's attorney notified ERTU of the breach in 1999:

"It was my understanding that ERTU had ceased broadcast signals to KBSA for Nile 'Variety' as of August 19, 1999.

Thus, it does not appear that the signal from ERTU was dropped as previously represented.

At this point, it is up to ERTU to act now. If ERTU decides not to act, then my clients have no option but to proceed with litigation and/or arbitration. My clients have tried to amicably work with you, but you must perform to the November 8, 1995 Agreement and its amendments.

...."

Dynamic knew that KBSA could not transmit the ERTU programming without the signals being provided by ERTU from Egypt. Dynamic knew the broadcasting of the ERTU programming by KBSA continued, whatever the statements of ERTU. Although ERTU provided assurance that these were not the "same" programs, Dynamic knew that ERTU breached the exclusive license it had granted Dynamic in the Contract. Dynamic acknowledged the violation in July 1999:

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<sup>3</sup> Dynamic has cited case law allowing a party to elect between suing for breach or proceeding with the contract where there has been an anticipatory repudiation by the other party. That rule is inapplicable here because ERTU's breach was clear and actual, not merely anticipatory.

"We are considerate to the Union's endeavors to cover the explicit violation to our agreement by contracting in the same time with a third party. We sincerely wished to cooperate with you to solve this problem...."

In May 2000 Dynamic explicitly reminded ERTU that "you concluded a contract with another American company in this regard and offered it U.S.\$200,000 to cover transmission cost, so that the new American Company shall not bear the losses borne by Dynamic which would eventually force you to pay the former another loan similar to the one granted to Dynamic."

It is also undisputed that Dynamic on several occasions had its counsel write to ERTU regarding its claims of breach of contract. There is also substantial correspondence between the parties evidencing knowledge by Dynamic that ERTU was in breach as of 1999. The statute of limitations on a written contract is four years. The cause of action for breach of the exclusive license accrued in 1999 and expired in 2003, prior to the filing of the Demand in 2004. The claim is therefore barred.

Dynamic also alleges that ERTU breached the Contract by giving the notice of termination in 2000. Dynamic alleges that Kelly was acting as the agent of ERTU and delayed the transmission, claiming he had the ERTU rights. According to Dynamic, this prevented it from retransmitting within the 90-day cure period. It is undisputed that from May 2, 2000 until August 3, 2000 there was no consistent retransmission of the Egyptian Channels by Dynamic during the 90 day cure period. There was some limited transmission via the internet and to large dish receptors as Dynamic made an effort to cure.

Although Dynamic's assertion that Kelly was acting as the agent of ERTU is not supported by the evidence, it is unnecessary to decide this claim of breach because, if established, it also would be barred by the statute of limitations.

Dynamic's conduct in entering into a directly competing contract with KBSA was a clear and material breach by ERTU. All elements of the cause of action were known to Dynamic in 1999. Dynamic cannot sit on its rights until 2004 to seek damages for a claim which it knew existed in 1999. This is true even though damage is alleged to continue into 2000 by additional acts of interference. To allow Dynamic to recover damages based upon the exploitation of licensing rights of others following termination in 2000 would reward Dynamic for sitting on its legal rights.

However, we also find that Dynamic breached the Contract by failing to transmit the channels to the subscribers as required by contract. ERTU's termination was for good cause. Dynamic also failed to give ERTU notice of its contracts with third parties, as required and failed to repay the loans to ERTU.

#### BREACH OF CONTRACT: INDEMNITY

Dynamic seeks reimbursement for fees and costs incurred in defense of the lawsuits filed by AATV. In 1996 AATV filed two lawsuits in California, one against ERTU and one against Dynamic alleging that ERTU breached its contract with AATV by granting rights to Dynamic to broadcast Egyptian Satellite Channels in the U.S. which had previously been granted to AATV.

The suits also alleged that Dynamic interfered with the contract AATV had with ERTU to broadcast the satellite channels in the U.S. At the time of the AATV lawsuit, Dynamic had replaced AATV as the licensed provider of ERTU's satellite channels after ERTU gave notice of early termination to AATV of its licensing agreement for the channels. AATV's claims against ERTU were arbitrated in Egypt and ERTU prevailed. AATV's claims against Dynamic were dismissed in 2002 after Dynamic prevailed on its Motion for Summary Judgment. The indemnity provision of the Contract (Paragraph 14) states:

"The two parties hereby represent and warrant that they have all the power and ability to enter into this agreement and perform the obligations stipulated therein. Moreover, ERTU represents that all copyright, intellectual property rights, royalties, permits, reproduction rights, distribution rights associated with the media transmitted via satellite transmission have been satisfied compensated and/or paid by the ERTU and its hereby agrees to hold DYNAMIC, its agents and assigns free and clear of any and all claims in this respect."

Dynamic presented its indemnity claim to ERTU. By letter of January 7, 1999 to Chairman Hafez, Mohamed El Mokadem requested:

"..."

In accordance with the enormous sums of money that Dynamic has suffered which amounts to approximately US\$ 380'000 until this date. Dynamic's lawyer has requested One Hundred Thousand Dollar (US\$ 100,000) as a down-payment to be paid in two installments, each Fifty Thousand Dollar.

Therefore, I present to your Excellency a request for your kind approval to split this amount between Dynamic and ERTU. ERTU shall pay the amount of US\$ 50,000 (Fifty Thousand Dollar) and Dynamic shall pay the amount of US\$ 50,000 (Fifty Thousand Dollar.)"

Attached to the letter was the "Invoice" sent by Robert Robinson, Esq. substantiating the defense fees incurred by Dynamic.

#### Accord and Satisfaction Release

ERTU alleges that the indemnity claim was released in 1999 after an accord and satisfaction.

In July 1999 the parties and representatives of KBSA met in Cairo to discuss ongoing problems and a possible working relationship between ERTU, Dynamic and KBSA. At that meeting the parties were unable to agree on terms. Dynamic also sought payment on its indemnity claim. ERTU introduced a settlement document in which ERTU would pay \$50,000 for a release. This document was executed by ERTU and Dynamic.

At the time the release was executed, the AATV action was in the pretrial discovery stage. The fees and costs incurred were ongoing at the time the \$50,000 payment was negotiated with ERTU. The action was not dismissed against Dynamic until 2002.

Mohamed el Mokadem, who executed the settlement agreement, was the agent of Dynamic. His signature was a binding acceptance by Dynamic of the terms and \$50,000 payment in satisfaction of the debt. At the time he executed the release, he added this handwritten notation:

"It is to be noted that the amount of 50,000 Dollar (Fifty) is all that ERTU shall incur and Dynamic is not allowed to claim any other amounts at the present or in the future on account of fees in relation to this case or any other case."

Signed by Mohamed El Mokadem, General Manager of Dynamic International Investment Group, 1/7/99

Dynamic has not disputed that it received the \$50,000 payment which was the consideration for the release. The preponderance of the evidence establishes that the parties reached an accord and satisfaction of the indemnity claim related to the AATV action. Alternatively, Dynamic is estopped from seeking indemnity for the continuing fees it knew it would be incurring when it promised to cap its reimbursement at \$50,000.

#### Scope of the Release

The Arbitrators conclude that the handwritten addition by Dynamic's agent did not release Dynamic's claim to attorneys' fees in this arbitration. (The determination of whether either party shall recover attorneys' fees is discussed below at the conclusion of this AWARD.) The release was limited to the AATV action and actions in connection with it.

There is no evidence that a broader scope of release was discussed between the parties prior to execution of the settlement agreement. Although there were negotiations of the relationships between ERTU, Dynamic and KBSA, neither the settlement agreement nor the handwritten addition incorporate such issues within its express terms. There is insufficient evidence to support an implied term that the release was intended to encompass a release of attorneys' fees for all disputes that might occur in the future.

#### COUNTERCLAIM

ERTU alleges that Dynamic breached the Contract. ERTU seeks repayment of the sums loaned by ERTU, totaling Two Million Five Hundred and Fifty Thousand Dollars (US\$2,550,000). It is undisputed that these amounts were loaned and no payments have been made. ERTU took no steps to enforce the repayment of the amounts outstanding since 1999.

ERTU's material breach of the Contract and its breach of the implied covenant of good faith and fair dealing preclude its recovery on the Contract. The conduct of ERTU in failing to deal in good faith with Dynamic, its contracting partner, caused considerable time and expense to Dynamic and unnecessary interference with an already difficult task to establish commercial satellite programming in the early years of the technology.

#### ATTORNEYS' FEES AND COSTS

Each party seeks recovery of attorneys' fees and costs incurred in this Arbitration.

Paragraph 21 of the Contract, as amended, provides that "should any expenses or Attorney fees

incurred by Arbitration shall be born by the party as may be designated by the Arbitration." Dynamic also points to Section 31 of the ICDR Rules which similarly provide that:

"The tribunal shall fix the costs of arbitration in its award. The tribunal may apportion such costs among the parties if it determines that such apportionment is reasonable, taking into account the circumstances of the case."

Thus under both the Contract and the ICDR Rules, the award of fees and costs is within the sound discretion of the Tribunal. In the exercise of this discretion, fees and costs are not awarded to either party. The parties shall each bear their own attorneys' fees and their own filing fees incurred with ICDR. The parties shall share equally the compensation and expenses of the Arbitrators.

We, the undersigned Arbitrators, having been designated in accordance with the arbitration agreement entered into between the above-named parties and dated November 8, 1995, and having been duly sworn, and having duly heard the proofs and allegations of the Parties, do hereby, AWARD, as follows:

- A. Dynamic's claim that ERTU breached the Contract, as amended, by granting KBSA licensing rights already granted to Dynamic is denied as being barred by the Statute of Limitations.
- B. Dynamic's claim that ERTU breached the Contract, as amended, by failing to reimburse Dynamic for attorney fees and costs incurred in defending the action brought by AATV against Dynamic is denied in that it was released based on an accord and satisfaction and Dynamic is estopped to pursue it.
- C. Dynamic's claim that ERTU breached the Contract in 2000 is denied as being barred by the Statute of Limitations.
- D. ERTU's claim that Dynamic breached the Contract by failing to repay the sums loaned by ERTU, totaling US \$2,550.00 is denied as being barred by ERTU's breach of the Contract and of the implied covenant of good faith and fair dealing.
- E. All claims and counterclaims are denied. Neither party shall recover damages.

#### FEES AND COSTS

1. The administrative fees and expenses of the International Centre for Dispute Resolution ("ICDR") totaling \$35,050.00 shall be borne as incurred by the parties, and the compensation and expenses of the arbitrators totaling \$133,975.15 shall be borne equally by the parties.
2. This award is in full settlement of all claims and counterclaims submitted to this Arbitration.

We hereby certify that, for the purposes of Article 1 of the New York Convention of 1958, on the Recognition and Enforcement of Foreign Arbitral Awards, this Final Award was made in San Diego, California, U.S.A.

9 August 2007

Date

Alice D. Sullivan

Hon. Alice D. Sullivan (Ret.)

Date

Bruce W. Belding, Esq.

9 August 2007

Date

Yaroslav Sochynsky

Yaroslav Sochynsky, Esq.

State of California

}

SS:

County of San Diego

I, Hon. Alice D. Sullivan (Ret.), do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument, which is my Award.

9 August 2007

Date

Alice D. Sullivan

Hon. Alice D. Sullivan (Ret.)

State of California

}

SS:

County of Marin

I, Bruce W. Belding, Esq., do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument, which is my Award.

Date

Bruce W. Belding, Esq.

We hereby certify that, for the purposes of Article 1 of the New York Convention of 1958, on the Recognition and Enforcement of Foreign Arbitral Awards, this Final Award was made in San Diego, California, U.S.A.

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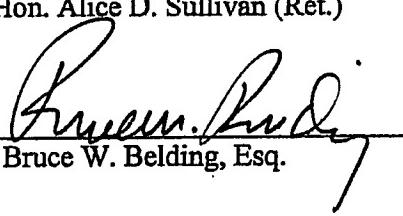
Date

Hon. Alice D. Sullivan (Ret.)

Aug. 9, 2007

Date

Bruce W. Belding, Esq.




---

Date

Yaroslav Sochynsky, Esq.

State of California

} SS:

County of San Diego

I, Hon. Alice D. Sullivan (Ret.), do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument, which is my Award.

---

Date

Hon. Alice D. Sullivan (Ret.)

State of California

} SS:

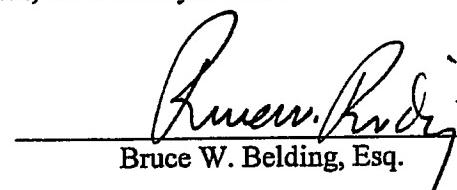
County of Marin

I, Bruce W. Belding, Esq., do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument, which is my Award.

Aug. 9, 2007

Date

Bruce W. Belding, Esq.



State of California

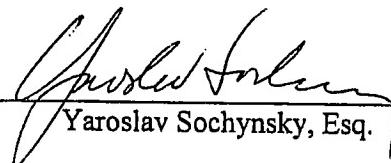
County of Alameda

} SS:

I, Yaroslav Sochynsky, Esq., do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument, which is my Award.

9 August 2007

Date

  
\_\_\_\_\_  
Yaroslav Sochynsky, Esq.



INTERNATIONAL CENTRE FOR DISPUTE RESOLUTION  
International Arbitration Tribunal

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In the Matter of the Arbitration between:

Re: 50 133 T 00367 04

Dynamic International Investment Group, Inc. Petitioner and Counter-Respondent

vs

Egyptian Radio and Television Union, Respondent and Counter-Claimant

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**RULING OF THE TRIBUNAL**

The parties stipulated to binding arbitration before the undersigned Tribunal. The Tribunal issued a Final Award dated August 9, 2007.

Petitioner and Counter-Respondent Dynamic International Investment Group, Inc. ("Petitioner") filed a "Petition to Correct Arbitration Award" on September 11, 2007. An Opposition to the Petition was filed by Egyptian Radio and Television Union (ERTU), dated September 26, 2007. The parties agreed to extend time until November 9, 2007 for the Tribunal's decision on the Petition.

**PETITION**

The bases asserted in the Petition are as follows:

- 1) "DYNAMIC waived ERTU's failure to offer DYNAMIC the right of first refusal on its thematic channels but the statute of limitations with respect to breach on the flagship channels did not start running until the termination of the contract in August 2000;
  - 2) "ERTU's secret breach in granting rights to KELLY BROADCASTING SYSTEMS ASSOCIATES ('KBSA') to broadcast the flagship channels, and its fraudulent conduct to conceal this, rendered DYNAMIC unable to discover said breach until August 2000 from which point the statute of limitations accrues;
- and
- 3) "the contract required negligence on DYNAMIC'S part regarding the non-airing of the flagship channels in order for ERTU to terminate the contract for cause; however DYNAMIC was not negligent as its inability to continue broadcasting of the flagship channels was the direct result of ERTU's prevention thereof, hence ERTU wrongfully terminated the contract."

**ICDR ARTICLE 30**

The Petition and Opposition are considered by the Tribunal under Article 30 of the International Centre for Dispute Resolution (ICDR) Rules. This rule governs correction of an Award and states as follows:

"Interpretation or Correction of the Award

**Article 30**

1. Within 30 days after the receipt of an award, any party, with notice to the other parties, may request the tribunal to interpret the award or correct any clerical, typographical or computation errors or make an additional award as to claims presented but omitted from the award.

2. If the tribunal considers such a request justified, after considering the contentions of the parties, it shall comply with such a request within 30 days after the request."

The Petition requests that the Tribunal decide "...claims presented but omitted from the award". There is no request to interpret the Award.

### **THE CLAIMS**

The claims in this arbitration were set forth in the Demand for Arbitration dated July 19, 2004 alleging the following two claims for breach of contract:

1. "The ERTU breached its exclusive contract with Dynamic by terminating the contract without just cause..."
2. "The ERTU also breached its exclusive contract with Dynamic by simultaneously providing exclusive rights to Kelly Broadcasting Systems..."

Petitioner's Supplemental Statement dated September 22, 2004 added the claim for indemnity.

These claims were summarized and specifically identified in the Tribunal's Award of Arbitrators dated August 9, 2007 (the "Award")

### **RULING**

After consideration of the Petition and Opposition, the Tribunal reviewed the law in light of the points raised in the submissions and the authorities cited. The Tribunal now issues the following Ruling on the Petition:

Article 30 authorizes the Tribunal to issue an additional award as to "claims presented but omitted from the award". Each of the claims is stated in the Award and was considered and decided. Each of the contract claims was barred by the statute of limitations. The bases asserted in the Petition are not undecided "claims" but, in essence are "issues" as to which Petitioner requests additional or different findings or conclusions. Determination of each of the items Petitioner asserts would not change the outcome of the Award. In addition to discussing and deciding all claims that were presented, the Award expressly stated "All claims and counterclaims are denied."

Petitioner's Petition to Correct the Arbitration Award is DENIED.

2 Nov. 2007  
Date

Alice D. Sullivan  
Hon. Alice D. Sullivan (Ret.)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Bruce W. Belding, Esq.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Yaroslav Sochynsky, Esq.

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Petitioner's Petition to Correct the Arbitration Award is DENIED.

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Date

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Hon. Alice D. Sullivan (Ret.)

---

Nov. 1, 2007

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Date

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Bruce W. Belding, Esq.

---

Date

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Yaroslav Sochynsky, Esq.

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Petitioner's Petition to Correct the Arbitration Award is DENIED.

---

Date

Hon. Alice D. Sullivan (Ret.)

---

Date

Bruce W. Belding, Esq.

November 2, 2007

Date

Yaroslav Sochynsky, Esq.

**CIVIL COVER SHEET**

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

**I. (a) PLAINTIFFS**

Egyptian Radio and Television Union

**DEFENDANTS**

Dynamic International Investment Group, Inc.

FILED

AUGUST 7 2008

AM 10:39

(b) County of Residence of First Listed Plaintiff Country of Egypt  
(EXCEPT IN U.S. PLAINTIFF CASES)County of Residence of First Listed Defendant San Diego

CLERK US (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED.

Attorneys (If Known)

Victoria Booke, Esq. DEPUTY

FAHMY &amp; BOOKE, LLP

606 North First Street

San Jose, CA 95112

'08 CV 1435 J AJB

(c) Attorney's (Firm Name, Address, and Telephone Number)

Morton G. Rosen, Esq.

Gary R. Wallace, Esq.

HAIGHT, BROWN &amp; BONESTEEL, LLP

6080 Center Drive, Suite 800

Los Angeles, CA 90045

**II. BASIS OF JURISDICTION** (Place an "X" in One Box Only)

- |  |   |
|--|---|
| <input type="checkbox"/> 1 U.S. Government Plaintiff | <input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)                     |
| <input type="checkbox"/> 2 U.S. Government Defendant | <input checked="" type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III) |

**III. CITIZENSHIP OF PRINCIPAL PARTIES** (Place an "X" in One Box for Plaintiff, and One Box for Defendant)

PTF	DEF	PTF	DEF
<input type="checkbox"/> 1 Citizen of This State	<input type="checkbox"/> 1 Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input checked="" type="checkbox"/> 4
<input type="checkbox"/> 2 Citizen of Another State	<input type="checkbox"/> 2 Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
<input checked="" type="checkbox"/> 3 Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3 Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

**IV. NATURE OF SUIT** (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	STATUTES
<input type="checkbox"/> 110 Insurance	<input type="checkbox"/> PERSONAL INJURY	<input type="checkbox"/> 610 Agriculture	<input type="checkbox"/> 875 Customer Challenge
<input type="checkbox"/> 120 Marine	<input type="checkbox"/> 310 Airplane	<input type="checkbox"/> 620 Other Food & Drug	12 USC 3410
<input type="checkbox"/> 130 Miller Act	<input type="checkbox"/> 315 Airplane Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881	<input checked="" type="checkbox"/> 890 Other Statutory Actions
<input type="checkbox"/> 140 Negotiable Instrument	<input type="checkbox"/> 320 Assault, Libel & Slander	<input type="checkbox"/> 630 Liquor Laws	<input type="checkbox"/> 891 Agricultural Acts
<input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment	<input type="checkbox"/> 330 Federal Employers' Liability	<input type="checkbox"/> 640 R.R. & Truck	<input type="checkbox"/> 892 Economic Stabilization Act
<input type="checkbox"/> 151 Medicare Act	<input type="checkbox"/> 340 Marine Liability	<input type="checkbox"/> 650 Airline Regs.	<input type="checkbox"/> 893 Environmental Matters
<input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans)	<input type="checkbox"/> 345 Marine Product Liability	<input type="checkbox"/> 660 Occupational Safety/Health	<input type="checkbox"/> 894 Energy Allocation Act
<input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits	<input type="checkbox"/> 350 Motor Vehicle	<input type="checkbox"/> 690 Other	<input type="checkbox"/> 895 Freedom of Information Act
<input type="checkbox"/> 160 Stockholders' Suits	<input type="checkbox"/> 355 Motor Vehicle Product Liability	<input type="checkbox"/> 710 Fair Labor Standards Act	<input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice
<input type="checkbox"/> 190 Other Contract	<input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 720 Labor/Mgmt. Relations	<input type="checkbox"/> 950 Constitutionality of State Statutes
<input type="checkbox"/> 195 Contract Product Liability		<input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act	
<input type="checkbox"/> 196 Franchise		<input type="checkbox"/> 740 Railway Labor Act	
		<input type="checkbox"/> 790 Other Labor Litigation	
		<input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS	
<input type="checkbox"/> 210 Land Condemnation	<input type="checkbox"/> 441 Voting	<input type="checkbox"/> 510 Motions to Vacate Sentence	
<input type="checkbox"/> 220 Foreclosure	<input type="checkbox"/> 442 Employment	<input type="checkbox"/> Habeas Corpus:	
<input type="checkbox"/> 230 Rent Lease & Ejectment	<input type="checkbox"/> 443 Housing/ Accommodations	<input type="checkbox"/> 530 General	
<input type="checkbox"/> 240 Torts to Land	<input type="checkbox"/> 444 Welfare	<input type="checkbox"/> 535 Death Penalty	
<input type="checkbox"/> 245 Tort Product Liability	<input type="checkbox"/> 445 Amer. w/Disabilities - Employment	<input type="checkbox"/> 540 Mandamus & Other	
<input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 446 Amer. w/Disabilities - Other	<input type="checkbox"/> 550 Civil Rights	
	<input type="checkbox"/> 440 Other Civil Rights	<input type="checkbox"/> 555 Prison Condition	
IMMIGRATION			
		<input type="checkbox"/> 462 Naturalization Application	
		<input type="checkbox"/> 463 Habeas Corpus - Alien Detainee	
		<input type="checkbox"/> 465 Other Immigration Actions	

**V. ORIGIN**

(Place an "X" in One Box Only)

 1 Original Proceeding 2 Removed from State Court 3 Remanded from Appellate Court 4 Reinstated or Reopened

Transferred from

 5 another district (specify) 6 Multidistrict Litigation

Appeal to District

 7 Judge from Magistrate Judgment**VI. CAUSE OF ACTION**

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

9 U.S.C. Section 9

Brief description of cause:

Petition to confirm arbitration award

**VII. REQUESTED IN COMPLAINT:** CHECK IF THIS IS A CLASS ACTION  
UNDER F.R.C.P. 23CHECK YES only if demanded in complaint:  
**JURY DEMAND:**  Yes  No**VIII. RELATED CASE(S) IF ANY**

(See instructions):

JUDGE

DOCKET NUMBER

SIGNATURE OF ATTORNEY OF RECORD

DATE

August 6, 2008

FOR OFFICE USE ONLY

RECEIPT # 153754

AMOUNT \$350

8/7/08

APPLYING IIFP

JUDGE

MAG. JUDGE

**UNITED STATES  
DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA  
SAN DIEGO DIVISION**

**# 153754 - TC**

**August 07, 2008  
10:37:56**

**Civ Fil Non-Pris**  
USAO #: 08CV1435  
Judge.: NAPOLEON A JONES, JR  
Amount.: \$350.00 CK  
Check#: BC218199

**Total-> \$350.00**

**FROM: EGYPTIAN RADIO & TV  
VS.  
DYNAMIC INTERNATIONAL**